



A.D. HARE WATERWORKS, INC.

DOCKET NO.: 2001-137-W

A.D. HARE WATERWORKS, INC.
DOCKET NO. 2001-137-W
INFORMATION TO BE FILED WITH THE COMMISSION FOR
AN INCREASE IN WATER RATES AND CHARGES

1. A statement of reason justifying the need for proposed rate adjustment.

During the twelve months test year ending December 31, 2000, the company only made \$825. Fro the prior year, the company lost \$4,442.

We have always asked the customers to conserve water, that is, please do not waste water when it can be prevented. This is one of the reasons for the drop in revenues. During the last rate case, 6,760 gallons per month was used in computing the proposed revenues. Customers are now using about 5,916 gallons per month—a difference of almost 850 gallons per month per customer.

Also, there are trailer parks where we intend to install meters where the parks are now on a master meter. These rates, with meters installed, were approved in the last rate case in 1992, however, we did not install the meters within the time period as directed by the order. On Company's Exhibit A, Column (4), line 7, Adjustment Number 18, the Company is requesting \$4,060 per year based on thirty-four (34) customers at the proposed monthly charge of \$9.95 per month.

Also, some revenue was also lost due to a problem when individuals have run lines from other customers' lines without paying a rate as a separate customer.

At the end of the test year in the prior case, December 31, 1990, the company had a Common Stock Investment of \$87,500 and Retained Earnings of \$1,888 for a total Common Equity Investment of \$89,388. At December 31, 2000, the end of the test year in this case, the company had Stock of \$87,500 and Retained Earnings of negative (\$15,503). Also, during this period, \$14,008 was contributed to paid-in-capital for what we consider a net change of negative (29,511) to the capital structure of this company.

The Company has plans to replace the old galvanized pipe, meters and pump houses. The 2" (two-inch) lines will be replaced with 4" (four-inch) lines.

2. Most current available income and expense statement for the preceding twelve months.

Attached hereto is an attachment entitled "Response Number 2":
Comparative Income Statements for the years 1999 and 2000.

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FOR AN INCREASE IN WATER RATES AND CHARGES
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3. Proposed Rate Schedule:
Attached hereto is an attachment entitled "Response Number 3": Proposed Rates.

4. The proposed test year is the "Twelve months ending December 31, 2000". (See item number 5 which follows next.)

5. Pro Forma income and expense statement using proposed rates applied to proposed test year.

Attached hereto is an attachment entitled "Response Number 5": Operating Margins for the twelve months test year ending December 31, 2000, consisting of seven (7) pages.

6. Balance Sheet.

Attached hereto is an attachment entitled "Response Number 6": Comparative Balance Sheets as of December 31, 1999 and 2000.

7. Depreciation Schedule by categories of plant or average service lives.

Attached hereto is an attachment entitled "Response Number 7": Annualized Depreciation Expenses consisting of two (2) sets of two (2) pages each.

8. Number of present and expected customers in the following twelve months.

The number of customers at the end of the test period ending December 31, 2000 was 613. It is estimated there will be 16 customers added during the year 2001.

9. Cost Justification: In the last case for a proposed increase, the company used a test period of December 31, 1990. The test period in the present case is the twelve months ending December 31, 2000—a difference of ten (10) years.

See attached Response Number (9) for cost justification.

10. The latest performance bond is on file with the Commission.

11. A current service area map is on file with the Commission.

12. Total Plant Investment by categories. Please see item number seven (7) above, Depreciation Schedule, by categories of plant, A through J.

13. The most recent letter of approval from D.H.E.C. is on file with the Commission.

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14. A customer bill form is attached as Response Number 14.

15. The Company affirms that the proposed rates are just and reasonable; that the Operating Margin of 14.89% after the proposed increase is just and reasonable, that the methodology of including Tap Costs and the related Contributions-in-Aid of Construction is fair and reasonable; and that the rates are sufficient to allow the Company to perform necessary repairs and maintenance presently and in the near future.

A. D. HARE WATERWORKS, INC.
COMPARATIVE INCOME STATEMENTS AND RETAINED EARNINGS (DEFICIT)
FOR THE TWELVE MONTHS ENDED DECEMBER 31,

LINE NO.	DESCRIPTION OF ACCOUNT	AMOUNT \$	AMOUNT \$
		YEAR 2000	YEAR 1999
1	Total Revenues:		
2	Metered Sales to Residential Customers:	166,553	166,677
3	Miscellaneous Sales		
4	Tap Fee Revenues (Year 2000 = 13; Year 1999 = 10)	3,900	3,000
5	Total Revenues (Lines 2 + 3)	<u>170,453</u>	<u>169,677</u>
6			
7	Source of Supply Expenses:	11,519	9,487
8			
9	Water Treatment Expenses:	540	630
10			
11	Transmission and Distribution Expenses	89,924	93,448
12			
13	Customer Accounts Expense	258	185
14			
15	Administrative and General Expenses	36,379	35,965
16			
17	Depreciation Expense	10,240	8,656
18			
19	Taxes and Assessment Fees-- Other than Income Taxes	<u>16,135</u>	<u>20,489</u>
20			
21	Total Operating Expenses (Lines 6 through 18)	<u>164,995</u>	<u>168,860</u>
22			
23	TOTAL OPERATING INCOME (line 4 - Line 20)	5508	817
24			
25	ADD: Other Income and Deductions--Income	2,410	431
26			
27	DEDUCT: Interest Expense (Expense):	<u>(7,094)</u>	<u>(5,670)</u>
28			
29	NET INCOME (LOSS) (line 23 + line 25 less line 27)	825	(4,422)
30			
31	RETAINED EARNINGS, (DEFICIT)	<u>(16,328)</u>	<u>(11,906)</u>
32			
33	END OF YEAR RETAINED EARNINGS (DEFICIT, I. E., LOSSES)	<u>(15,503)</u>	<u>(16,328)</u>

RESPONSE NUMBER 3.

**A. D. HARE WATERWORKS, INC.
PROPOSED RATES AND CHARGES
FOR THE TEST YEAR ENDED DECEMBER 31, 2000**

	PRESENT CHARGE \$	PROPOSED CHARGE \$	AMOUNT OF INCREASE \$	INCREASE 0%	PROPOSED REVENUES \$
BASIC FACILITIES CHARGE	8.00	9.95	1.95	24.38%	71,879
COMMODITY CHARGE	2.10	2.95	0.85	40.48%	126,065
Annualized Monthly Charges, Company Exhibit A, Column (5), Line 2:					197,944
Less: Adjusted Annualized Monthly Charges, Company Exhibit A, Column (3), Line 2:					(147,533)
PROPOSED MONTHLY CHARGES					50,411
NEW CUSTOMER CHARGE	20.00	20.00	0.00	0.00%	0
RECONNECTION CHARGE	30.00	30.00	0.00	0.00%	0
BASIC FACILITIES CHARGE - NEW	0	9.95	9.95		4,060
Total proposed increase, Exhibit A, Column 4, Line 8:					\$54,471

TAP FEES (CONTRIBUTIONS IN AID)	300	500	200	66.67%
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	OLD RATES	NEW RATES
Basic Facilities Charge	\$8.00	\$9.95
Commodity Charge: (5,916 Gals.)	\$12.42	\$17.45
	\$20.42	\$27.40
Less: Present Rates		(\$20.42)
Amount of Proposed Increase:		\$6.98
Percent Increase		34.18%

A. D. HARE WATERWORKS CO., INC.
OPERATING MARGINS

FOR THE TWELVE MONTHS TEST PERIOD ENDING DECEMBER 31, 2000

RESPONSE NO. 5
PAGE 1 OF 7 PAGES
EXHIBIT A

COLUMN NUMBERS:		(1)	(2)		(3)	(4)	(5)
		PRO FORMA AND			COMPANY		AFTER
LINE		PER	ACCOUNTING	ADJ.	AFTER	PROPOSED	ADJ. PROPOSED
NO.	DESCRIPTION OF ACCOUNT	BOOKS	ADJUSTMENTS	NO.	ADJUSTMENTS	INCREASE	NO. INCREASE
		\$	\$		\$	\$	\$
1	REVENUES:						
2	Monthly Service Fees	155,410	(7,877)	(1)	147,533	50,411	(17) 197,944
3	Tap Fees (13 @ \$300 Each)	3,900	(3,900)	(2)	0	0	0
4	Reconnection Fee (36)	1,080	0		1,080	0	1,080
5	New Customer Charge (58)	1,160	0		1,160	0	1,160
6	Other Charges (DHEC Fees)	8,903	(8,903)	(3)	0	0	0
7	Basic Facilities Charges (New = 34)	0	0		0	4,060	(18) 4,060
8	Total Operating Revenues	170,453	(20,680)		149,773	54,471	204,244
9							
10	LESS: OPERATING EXP. AND TAXES						
11	Operation Expense	95,004	4,961	(4)	99,965	0	99,965
12	Maintenance Expense	43,615	(3,900)	(5)	39,715	0	39,715
13	Depreciation Expense	10,240	2,308	(6)	12,548	0	12,548
14	Assessment Taxes (DHEC)	8,029	(8,029)	(7)	0	0	0
15	Taxes - Other than Income	8,056	1,648	(8)	9,704	599	(19) 10,303
16	Other Revenues and Expenses - Net	(2,410)	(100)	(9)	(2,510)	0	(2,510)
17	Income Taxes - State and Fed.	0	0		0	7,121	(20) 7,121
18	Interest on Cust. Deposits	0	1,176	(10)	1,176	0	1,176
19	Interest on Debt	7,094	(1,040)	(11)	6,054	0	6,054
20	Total Operating Expenses	169,628	(2,976)		166,652	7,720	174,372
21							
22	Net Operating Income for Return	825	(17,704)		(16,879)	46,751	29,872
23	ADD: Customer Growth (Exhibit A-2)	0	0		0	856	547
24	TOTAL OPERATING INC. FOR RETURN:	825	(17,704)		(16,879)	47,606	30,418
25							
26	OPERATING MARGINS:	0.48%			-11.27%		14.89%
27							
28	ORIGINAL COST RATE BASE						
29		\$	\$		\$	\$	\$
30	Gross Utility Plant in Service	267,678	(20,029)	(12)	247,649	0	247,649
31	Less: Depreciation Reserve	123,084	(2,243)	(13)	120,841	0	120,841
32	Net Plant in Service	144,594	(17,786)		126,808	0	126,808
33	Cash Working Capital (Exhibit A-3)	17,327	133		17,460	0	17,460
34	Materials and Supplies	3,088	0		3,088	0	3,088
35	Less: Customer Deposits	(9,800)	(1,176)	(14)	(10,976)	0	(10,976)
36	ADD: Cost of Taps - Net of Amortization	0	43,324	(15)	43,324	0	43,324
37	DEDUCT: Tap Fee Contributions - Netted	0	(43,324)	(16)	(43,324)	0	(43,324)
	TOTAL RATE BASE:	155,209	(18,829)		136,380	0	136,380

NOTE: The only purpose of showing rate base is to demonstrate the proposed effect of tap costs and tap fees in Adjustment Numbers (15) and (16)

A. D. HARE WATERWORKS COMPANY, INC.
ACCOUNTING AND PROFORMA ADJUSTMENTS
FOR THE TEST YEAR ENDED DECEMBER 31, 2000

DESCRIPTION	MONTHLY SERVICE	TAP FEES	OTHER FEES (DHEC)	OPERATION EXPENSES	MAINTENANCE EXPENSES	DEPRECIATION EXPENSE
To adjust monthly revenues based on Average Number of Customers and total volume consumption during the test year.	\$ (7,877)	\$	\$	\$	\$	\$
To eliminate tap fees from Operating Income for Return for rate making purposes (See related Adjustments (5)).		(3,900)				
To deduct DHEC testing fees from regulated revenues. The related expenses are also deducted in Adjustment No. (7) below.			(8,903)			
To adjust salaries and Social Security benefits to latest wage level:				3,861		
To amortize rate case expenses over a three-year period				1,100		
To decrease expenses for Materials and Supplies that were used to install Meters:					(1,850)	
To deduct for all other expenses for labor, equipment, etc., that should have been capitalized to meter costs (\$3,900 - \$1,850)					(2,050)	
To annualize depreciation expense based on end of year utility plant after deducting plant for tap costs by the Company since 1977.						2,308
	(7,877)	(3,900)	(8,903)	4,961	(3,900)	2,308
	(1)	(2)	(3)	(4)	(5)	(6)

A. D. HARE WATERWORKS COMPANY, INC.
ACCOUNTING AND PROFORMA ADJUSTMENTS
FOR THE TEST YEAR ENDED DECEMBER 31, 2000

DESCRIPTION OF ADJUSTMENT	DHEC		INTEREST ON			
	TESTING FEES	TAXES-- OTHER	CONTRI- BUTIONS	CUSTOMER DEPOSITS	INTEREST EXPENSE	
To eliminate testing fees assessed by the Department of Environmental Control (DHEC). The related assessments to the ratepayers are also deducted in adjustment (3) above.	\$ (8,029)	\$	\$	\$	\$	\$
To record PSC assessment at 1.1% on gross revenues of \$149,773 shown in Column (3), Line 8, Company Exhibit No. A.		1,648				
To remove contributions to below-the-line for rate making purposes since these are disallowed by the Commission:			(100)			
To annualize interest on Customer Deposits at the Commission rate of 12%. (See Adj. number (14) where this amount is added to Customer Deposits.):				1,176		
To annualize interest expense on outstanding notes and mortgage:					(1,040)	
	(8,029)	1,648	(100)	1,176		(1,040)
	(7)	(8)	(9)	(10)		(11)

A. D. HARE WATERWORKS COMPANY, INC.

ACCOUNTING AND PROFORMA ADJUSTMENTS

FOR THE TEST YEAR ENDED DECEMBER 31, 2000

DESCRIPTION OF ADJUSTMENTS	COMPANY'S CONTRIBUTIONS			
	PLANT IN SERVICE	DEPRECIATION RESERVE	CUSTOMER DEPOSITS	COST OF TAPS--NETTED IN AID -- NETTED

To reduce plant for the elimination of tap costs recorded since 1977:	\$ (20,029)	\$	\$	\$
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To reduce Depreciation Reserve for the Tap costs removed from the books in the above adjustment:		(4,551)		
--	--	---------	--	--

To add to Depreciation Reserve the amount of annualized depreciation in adjustment number (6):		2,308		
--	--	-------	--	--

To add to Customer Deposits the amount of interest annualized at 12% (See Adjustment No. (10))	1,176			
--	-------	--	--	--

To add to Rate Base the cost of taps by the Company - Net of Depreciation (See also Adjustment No. (16))			43,324	
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To deduct from rate base the Contributions In-Aid of Construction by the Rate Payer - Net of Amortization (See also Adjustment No. (15))				(43,324)
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	(20,029)	(2,243)	1,176	43,324	(43,324)
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	(12)	(13)	(14)	(15)	(16)
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A. D. HARE WATERWORKS COMPANY
PRO FORMA AND ACCOUNTING ADJUSTMENTS
FOR THE TEST PERIOD ENDING DECEMBER 31, 2000

DESCRIPTION OF ADJUSTMENT	MONTHLY CHARGES	BASIC FACILITIES CHARGE (NEW)	GROSS RECEIPTS TAX	INCOME TAXES

\$ \$ \$ \$

EFFECT OF PROPOSED INCREASE

To add to the adjusted revenues the proposed monthly services fees for the test year:

50,411

To add to revenues the customers who are already receiving water through someone else's meter, paying the consumption charges, but not the basic facilities charge. (34 customers):

4,060

To adjust gross receipts for the effect of the proposed increase at 1.1%:

599

To increase state and federal income taxes for the effect of the proposed increase:

7,121

50,411 4,060 599 7,121

(17) (18) (19) (20)

RESPONSE NO. 5
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EXHIBIT A-2

A. D. HARE WATERWORKS, INC.
CUSTOMER GROWTH
TEST PERIOD ENDING DECEMBER 31, 2000

COLUMN NUMBERS:	(1)	2)	(3)	(4)	(5)
DESCRIPTION	PER BOOKS	ADJUST- MENTS	AFTER ADJUSTMENTS	PROPOSED INCREASE	AFTER PROPOSED INCREASE
	\$	\$	\$	\$	\$
Net Operating Inc. (Company Exh. A, Line 22)	825	(17,704)	(16,879)	46,751	29,872
Growth Factor from below, line 43	1.83%	1.83%	1.83%	1.83%	1.83%
Customer Growth to Exhibit A, Line 23	0	0	0	856	547

NOTE: Customer Growth not computed on Negative Income in Columns (1) through (3)

A. D. HARE WATERWORKS CO., INC.
CASH WORKING CAPITAL
FOR THE TEST PERIOD ENDING 12/31/00

	PER	ADJUST-	AFTER	PROPOSED	AFTER
	BOOKS	MENTS	ADJUSTMENTS	INCREASE	PROPOSED
	\$	\$	\$	\$	\$
Op. Expense, Exhibit A, Line 11	95,004	4,961	99,965	0	99,965
Main. Expense, Exhibit A, Line 12	43,615	(3,900)	39,715	0	39,715
Exp. for Cash Working Capital:	138,619	1,061	139,680	0	139,680
Multibly by 1/8 or 12.5%	0.125	0.125	0.125	0.125	0.125
Cash Working Cap., Exh.A, Line 32	17,327	133	17,460	0	17,460

**A. D. HARE WATERWORKS, INC.
COMPARATIVE BALANCE SHEETS
AS OF DECEMBER 31,**

RESPONSE NUMBER 6

ASSETS AND OTHER DEBITS	CALENDAR	CALENDAR
	YEAR 2000	YEAR 1999
	\$	\$
Utility Plant in Service	267,678	265,828
less: Accumulated Depreciation Reserve	124,101	113,851
Net Plant in Service	143,577	151,977
Current and Accrued Assets:		
Cash in Bank	3,776	1,211
Special Deposits (Customer Security)	4,642	7,703
Customer Accounts Receivable	16,007	14,415
Other Accounts Receivable	1,865	82
Other Materials and Supplies	1,361	1,507
Total Current Assets:	27,601	21,918
TOTAL UTILITY ASSETS:	171,188	176,895
LIABILITIES AND OTHER CREDITS		
Common Stock Issued and Outstanding	87,500	87,500
Other Paid-in Capital	14,008	14,008
Unappropriated Retained Earnings (Losses)	(15,503)	(16,328)
Total Equity Capital	86,005	85,180
Other Long-Term Debt	33,622	42,786
Current and Accrued Liabilities:		
Accounts Payable	37,083	33,459
Customer Deposits	9,800	10,690
Taxes, other than Income Taxes	1,871	2,475
Accrued Interest - Other Liabilities	2,808	2,305
Total Current and Accrued Liabilities	51,561	48,979
TOTAL LIABILITIES AND OTHER CREDITS:	171,188	176,895

A. D. HARE WATERWORKS, INC.
ANNUALIZED DEPRECIATION
FOR THE TEST YEAR ENDED DECEMBER 31, 2000

ASSET NUMBER	PROPERTY DESCRIPTION	DATE IN SERVICE	COST \$	DEPR. RATE	DEPR. EXP. PER YEAR \$	NUMBER OF YEARS IN SVC.	PRIOR YEARS DEPREC'N	TOTAL DEPREC'N RESERVE \$
GROUP A: LAND								
101	Land	1/76	2,250	-0-	0	25	0	0
	TOTALS, GROUP A:		2,250		0			0
GROUP B: ELECTRIC PUMP EQUIPMENT								
201	Pump Station	7/81	13,289	10%	1,329	20	3,691	5,020
202	Generators	5/90	19,042	7%	1,333	11	19,042	19,042
203	Electric Motor	7/94	542	10%	54	7	352	406
204	Electricity Pole Inst.	7/94	609	20%	122	7	198	320
205	Pump ends (3)	5/97	2,712	10%	271	4	949	1,220
206	Used Electric Motors (10)	7/97	450	10%	45	4	158	203
207	Electric Pump	11/76	8,800	2%	176	25	4,121	4,297
	TOTALS, GROUP B:		45,444		3,330			30,508
GROUP C: DISTRIBUTION RES. AND STAN.								
301	Water Tank	11/76	8,500	4%	340	25	3,811	4,151
302	Water Tank	5/94	3,545	4%	142	7	331	473
	TOTALS, GROUP C:		12,045		482			4,624
GROUP D: Transmission and Distributions Mains								
401	Transmission and Distribution	11/76	46,300	2%	926	25	20,758	21,684
402	Main Lines	6/85	8,685	5%	434	16	2,617	3,051
403	2235 Feet of 2" PVC	12/95	1,118	5%	56	6	251	307
404	1000 Feet of 2" PVC	12/96	1,500	5%	75	5	234	309
405	1050 Feet of 2" PVC	7/98	1,943	5%	97	3	146	243
406	1000 Feet of 2" PVC	9/99	1,850	5%	93	2	46	139
407	1000 Feet of 2" PVC	7/00	1,850	5%	93	1	0	93
	TOTALS, GROUP D:		63,246		1,773			25,825
GROUP E: SERVICE LINES								
501	Service Lines	12/92	618	4%	25	9	82	107
502	Service Lines	7/93	1,234	4%	49	8	151	200
	TOTALS, GROUP E:		1,852		74			307
GROUP F: METERS AND METER INSTALLATIONS								
601	Meters	10/95	576	4%	23	6	130	153
602	Meters (12)	12/96	348	4%	14	5	54	68
603	Meter Boxes	12/96	4,035	4%	161	5	630	791
604	Control Box with Heat	7/96	157	4%	6	5	26	32
605	Meters	12/97	1,406	4%	56	4	176	232
606	Meters	11/76	25,000	4%	1,000	25	11,264	12,264
607	Meters	6/85	5,851	4%	234	16	1,763	1,997
608	Meters	12/92	1,142	4%	46	9	152	198
609	Meters	7/93	5,303	4%	212	8	648	860
610	Meters	6/94	377	4%	15	7	38	53
611	Meter Boxes	7/94	487	4%	19	7	113	132
612	Meters	12/94	504	4%	20	7	46	66
	TOTALS, GROUP F:		45,186		1,807			16,847

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ANNUALIZED DEPRECIATION
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ASSET NUMBER	PROPERTY DESCRIPTION	DATE IN SERVICE	COST \$	DEPR. RATE	DEPR. EXP. PER YEAR \$	NUMBER OF YEARS IN SVC.	PRIOR YEARS DEPREC'N \$	TOTAL DEPREC'N RESERVE \$
GROUP G: OTHER TRANSMISSION AND DISTRIBUTION PLANT								
701	Wells	11/76	9,200	4%	368	25	4,125	4,493
702	Compressors	11/76	1,500	10%	150	25	673	823
703	Compressor for Pump	2/94	450	10%	45	7	44	89
704	Compressor	11/94	277	10%	28	7	23	51
705	Well X Trol Tank	3/97	807	5%	40	4	101	141
706	Press Tank	6/97	999	5%	50	4	125	175
707	Compressor	7/98	865	10%	87	3	64	151
TOTALS, GROUP G:			14,098		768			5,923
GROUP H: OFFICE FURNITURE & EQUIPMENT								
801	Lanier Copier	5/97	2,699	20%	540	4	675	1,215
802	Two-way Radios	10/99	224	20%	45	2	11	56
TOTALS, GROUP H:			2,923		585			1,271
GROUP I: TRANSPORTATION EQUIPMENT								
901	1988 Chevrolet Truck	6/88	10,963	20%	0	13	10,963	10,963
902	1995 Chevrolet Truck	7/95	20,725	20%	0	5	19,531	20,725
TOTALS, GROUP I:			31,688		0			31,688
GROUP J: MISCELLANEOUS EQUIPMENT								
1001	16 HP Case Tractor	10/81	1,453	25%	0	20	1,453	1,453
1002	Lawn Moser	6/85	814	20%	0	16	814	814
1003	7 in./9 in. Grinder	1/91	165	14.30%	0	10	165	165
1004	Six (6) 28" Traffic Cones	3/95	154	14.30%	22	6	99	121
1005	Two 36 X 36 Nylon Mesh	3/95	169	14.30%	24	6	109	133
1006	Drilling Device	4/95	375	14.30%	54	6	241	295
1007	Tapmate II	2/96	705	10%	71	5	273	344
1008	Back Pack Sprayer	7/96	104	14.30%	15	5	50	65
1009	Kubota Mower and Grinder	5/97	6,544	10%	654	4	1,636	2,290
1010	Tool Box	5/97	307	5%	15	4	38	53
1011	Dump Trailer	5/97	2,806	5%	140	4	350	490
1012	Ditch Witch - Model 37	10/97	32,806	10%	3,281	4	820	4,101
1013	Tilt Trailer with Winch	10/99	2,544	10%	254	2	64	318
TOTALS, GROUP J:			48,946		4,530			10,642
TOTALS, GROUPS A THROUGH J:			267,678		13,349			127,635

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A. D. HARE WATERWORKS, INC.
ANNUALIZED DEPRECIATION
FOR THE TEST YEAR ENDED DECEMBER 31, 2000

ASSET NUMBER PROPERTY DESCRIPTION	DATE IN SERVICE	COST \$	DEPR. RATE	DEPR. EXP. PER YEAR \$	NUMBER OF YEARS IN SVC.	PRIOR YEARS DEPREC'N	TOTAL DEPREC'N RESERVE \$
GROUP A: LAND							
101 Land	1/76	2,250	-0-	0	25	0	0
TOTALS, GROUP A:		2,250		0			0
GROUP B: ELECTRIC PUMP EQUIPMENT							
201 Pump Station	7/81	13,289	10%	1,329	20	3,691	5,020
202 Generators	5/90	19,042	7%	1,333	11	19,042	19,042
203 Electric Motor	7/94	542	10%	54	7	352	406
204 Electricity Pole Inst.	7/94	609	20%	122	7	198	320
205 Pump ends (3)	5/97	2,712	10%	271	4	949	1,220
206 Used Electric Motors (10)	7/97	450	10%	45	4	158	203
207 Electric Pump	11/76	8,800	2%	176	25	4,121	4,297
TOTALS, GROUP B:		45,444		3,330			30,508
GROUP C: DISTRIBUTION RES. AND STAN.							
301 Water Tank	11/76	8,500	4%	340	25	3,811	4,151
302 Water Tank	5/94	3,545	4%	142	7	331	473
TOTALS, GROUP C:		12,045		482			4,624
GROUP D: Transmission and Distributions Mains							
401 Transmission and Distribution	11/76	46,300	2%	926	25	20,758	21,684
402 Main Lines	6/85	8,685	5%	434	16	2,617	3,051
403 2235 Feet of 2" PVC	12/95	1,118	5%	56	6	251	307
404 1000 Feet of 2" PVC	12/96	1,500	5%	75	5	234	309
405 1050 Feet of 2" PVC	7/98	1,943	5%	97	3	146	243
406 1000 Feet of 2" PVC	9/99	1,850	5%	93	2	46	139
407 1000 Feet of 2" PVC	7/00	1,850	5%	93	1	0	93
TOTALS, GROUP D:		63,246		1,773			25,825
GROUP E: SERVICE LINES							
501 Service Lines	12/92	618	4%	25	9	82	107
502 Service Lines	7/93	1,234	4%	49	8	151	200
TOTALS, GROUP E:		1,852		74			307
GROUP F: METERS AND METER INSTALLATIONS							
604 Control Box with Heat	7/96	157	4%	6	5	26	32
606 Meters	11/76	25,000	4%	1,000	25	11,264	12,264
TOTALS, GROUP F:		25,157		1,006			12,296

A. D. HARE WATERWORKS
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ASSET NUMBER	PROPERTY DESCRIPTION	DATE IN SERVICE	COST \$	DEPR. RATE	DEPR. EXP. PER YEAR \$	NUMBER OF YEARS IN SVC.	PRIOR YEARS DEPREC'N \$	TOTAL DEPREC'N RESERVE \$
GROUP G: OTHER TRANSMISSION AND DISTRIBUTION PLANT								
701	Wells	11/76	9,200	4%	368	25	4,125	4,493
702	Compressors	11/76	1,500	10%	150	25	673	823
703	Compressor for Pump	2/94	450	10%	45	7	44	89
704	Compressor	11/94	277	10%	28	7	23	51
705	Well X Trol Tank	3/97	807	5%	40	4	101	141
706	Press Tank	6/97	999	5%	50	4	125	175
707	Compressor	7/98	865	10%	87	3	64	151
TOTALS, GROUP G:			14,098		768			5,923
GROUP H: OFFICE FURNITURE & EQUIPMENT								
801	Lanier Copier	5/97	2,699	20%	540	4	675	1,215
802	Two-way Radios	10/99	224	20%	45	2	11	56
TOTALS, GROUP H:			2,923		585			1,271
GROUP I: TRANSPORTATION EQUIPMENT								
901	1988 Chevrolet Truck	6/88	10,963	20%	0	13	10,963	10,963
902	1995 Chevrolet Truck	7/95	20,725	20%	0	5	19,531	20,725
TOTALS, GROUP I:			31,688		0			31,688
GROUP J: MISCELLANEOUS EQUIPMENT								
1001	16 HP Case Tractor	10/81	1,453	25%	0	20	1,453	1,453
1002	Lawn Moser	6/85	814	20%	0	16	814	814
1003	7 in./9 in. Grinder	1/91	165	14.30%	0	10	165	165
1004	Six (6) 28" Traffic Cones	3/95	154	14.30%	22	6	99	121
1005	Two 36 X 36 Nylon Mesh	3/95	169	14.30%	24	6	109	133
1006	Drilling Device	4/95	375	14.30%	54	6	241	295
1007	Tapmate II	2/96	705	10%	71	5	273	344
1008	Back Pack Sprayer	7/96	104	14.30%	15	5	50	65
1009	Kubota Mower and Grinder	5/97	6,544	10%	654	4	1,636	2,290
1010	Tool Box	5/97	307	5%	15	4	38	53
1011	Dump Trailer	5/97	2,806	5%	140	4	350	490
1012	Ditch Witch - Model 37	10/97	32,806	10%	3,281	4	820	4,101
1013	Tilt Trailer with Winch	10/99	2,544	10%	254	2	64	318
TOTALS, GROUP J:			48,946		4,530			10,642
TOTALS, GROUPS A THROUGH J:			247,649		12,548			123,084

A. D. HARE WATERWORKS CO., INC.		
PROPOSED TAP FEES		
FOR THE TWELVE MONTHS TEST YEAR DECEMBER 31, 2000		
LINE NUMBERS		AMOUNT \$
1	Yoke Box (Meter Box)	\$82.85
2	Meter	\$38.50
3	Corporate Stops	\$24.62
4	Saddle (2")	\$9.19
5	Fitting	\$9.59
6	Pipe	\$7.50
7	Inserts (2 X \$2.00)	\$4.00
8	Total Costs of Materials and Supplies:	\$176.25
9	Add: Salaries	164.45
10	Add: Truck Usage (2),back hoe and trencher	80.00
11	Total, Lines 8 - 11:	420.70
12	Divide by Tax Rate Reciprocal (100.00% - 19.25%)	0.8075
13	Total Tap Costs:	520.99
14		
15	PROPOSED TAP FEE:	\$500.00

A. D. HARE WATERWORKS, INC.
PROPOSED TAP FEES
HOURLY WAGES AND COSTS

LINE NO.	DESCRIPTION OF TASKS	LENGTH OF TIME	BY WHOM	HOURLY SALARY	FRACTION OF HOUR	ALLOCATED SALARY
				\$		\$
1	Customer calls. Explain Rules	10 mins	Mrs. Hare			
2	Customers comes in, gives deposit,	20 mins	Mrs. Hare			
3	amount added to deposit slip. Appt		or April			
4	is made to meet Mr. Dare at the lot to					
5	show where the tap is to be put.					
6	Appt. made to meet to show location	1/2 hour	Mrs. Sweat			
7	of tap. Card is set up, Customer	2 hours	or Mrs. Hare			
8	# is assigned. For the next few					
9	days/weeks, property is checked		Mr. Dan Hare			
10	to make sure there is no damage					
11	to water meter, connected date, etc.					
12	When water is cut on, address,					
13	phone #, etc., is recorded on card.					
14	Manager meets with customer. Shows	30 mins	Mr. Dan Hare	21.13	0.5	10.57
15	layout of lot and preferable location of					
16	meter. Manager checks with local					
17	utilities to show where other lines					
18	are located.					
19	Three load up materials, hook up	30 mins	Mr. Dan Hare	21.13	0.5	10.57
20	backhoe and trencher.		D. J. Hare	11.98	0.5	5.99
21		Use 1/2	Cale or April	5.00	0.5	2.50
22	All three employees go to site to install	2.5 hours	Mr. Dan Hare	21.13	2.5	52.83
23	meter. (Because of road guard,		D. J. Hare	11.98	2.5	29.95
24	minimum of three (3) people.)	Use 1/2	Cale or April	5.00	2.5	12.50
25	Also, may have to bore under road					
26	half of the time to hook on to main.					
27	Minimum of two (2) trucks.					
28	If drilling under highway, permit.					
29	Return to Office to unload.	30 mins.	Mr. Dan Hare	21.13	0.5	10.57
30			D. J. Hare	11.98	0.5	5.99
31		Use 1/2	Cale or April	5.00	0.5	2.50
32	Total Wages for Tap Fees:					143.95
33	Add Social Security Taxes at 7.65%					11.01
34	Total Salaries and Social Security					154.96
35	Loading Factor for Holidays and Leave, three (3) Weeks. Divide by 94.23%					0.9423
36	Total Salaries charged to Tap Costs:					164.45

**A. D. HARE WATERWORKS, INC.
PROPOSED TAP FEES
WAGES TO ALLOCATE TO TAPS**

<u>EMPLOYEES NAME</u>	<u>WEEKLY SALARY</u>	<u>NO. OF HOURS/WK.</u>	<u>FRACTION OF WEEK</u>	<u>HOURLY PAY</u>
				\$
Mrs. Hare	\$249	40	1	6.23
Mr. Dan Hare	\$845	40	1	21.13
Mr. D. J. Hare	\$479	40	1	11.98
Mrs. Sweat	\$200	20	0.5	10.00
Mr. Cale Sweat	0	10	0	0.00

COMPANY RESPONSE NO. 14

A. D. HARE WATERWORKS, INC.
TEST YEAR DECEMBER 31, 2000
DOCKET NO. 2001-137-W
BILL FORM

Due when rendered.

No Further Notice

A. D. Hare Water Works, Inc.

Post Office Box 122 Phone: 761-8444

Pinopolis, South Carolina 29469

Date	
Present Reading	
Previous Reading	
Gallons Used	
Amount Water	
RECOUPMENT FEE	\$1.25
PAST DUE	
CREDITS	
TOTAL DUE	\$

PLEASE: Return This
Stub with your
payment.

Make Check Payable to:

Mrs. A. D. Hare

or

**A.D. Hare Water
Works, Inc.**

Billing Date

Total Due \$